

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MISSOURI

In re:)	
)	
Craig Sprull)	
)	
)	
)	Case No. 12-51176-399
Debtor.)	
)	The Honorable Barry S. Schermer
)	Hearing Date: April 3, 2013
)	Hearing Time: 2:00 p.m.

MOTION OF THE UNITED STATES TRUSTEE TO
DISMISS CHAPTER 11 PROCEEDING

Comes Now Nancy J. Gargula, the United States Trustee for the Eastern District of Missouri ("U.S. Trustee"), by her attorney Martha M. Dahm, and, pursuant to Section 1112, 11 U.S.C. §§101 et. seq. ("Code"), moves this Court for entry of an order dismissing the chapter 11 case of Craig Sprull ("Debtor"). In support thereof, the U.S. Trustee states as follows:

1. This is a core proceeding concerning the administration of the estate pursuant to 28 U.S.C. § 157(b)(2)(A) which this Court may hear and determine pursuant to Rule 9.01(B)(1) of the United States District Court for the Eastern District of Missouri.

2. On November 20, 2012, the Debtor commenced this case by filing his voluntary petition for relief under Chapter 11 of the Code, and has remained in possession and control of his assets pursuant to Sections 1107 and 1108 as debtor-in-possession.

3. The Debtor is an individual who resides at 11507 Philmar, St. Louis, Mo 63138. According to Debtor's schedules Debtor has an interest in three parcels of real property: his residence; 4577 Carter, St. Louis, Mo 61335; and 5407 Queens Avenue, St. Louis, MO 63115.

4. According to Debtor's schedules the only real property with potential equity is the property located at 5407 Queens Avenue. Debtor is also the principal shareholder of Spruill's Properties, LLC. Spruill's Properties, LLC owns real property located at 9800 Halls Ferry Road, St. Louis, Mo 63138. Debtor is personally liable to Community South Bank for this property. Community South Bank is the main secured creditor of the Debtor. Pursuant to Debtor's schedules Debtor owes Community State Bank \$2,499,369.00.

5. The Debtor has failed to file monthly operating reports for the period from January 2013 to and including the date hereof, in violation of Section 1107 of the Code and Fed. R. Bankr. P. 2015. The financial reports that have been filed indicate that the Debtor is unable to pay his current expenses.

6. Debtor's disclosure statement and plan of reorganization that have been filed in this case fail to give adequate information about the future financial success of the Debtor. Debtor's plan of reorganization is based on his ability to obtain new capital and yet there is no information regarding the source of new capital or Debtor's ability to obtain new capital. Debtor merely states that if the Debtor can obtain capital to pay his vendors the business located at 9800 Halls Ferry Road would be profitable. Without further information regarding Debtor's ability to reorganize and without evidence of new capital being given to the Debtor the Debtor does not have the ability to reorganize.

7. Such lack of progress suggests there is a continuing loss or diminution of the estate and that there is an absence of a reasonable likelihood of rehabilitation. 11 U.S.C. Section 1112(b)(1).

8. If the case is dismissed, under 28 U.S.C. Section 1930, the Debtor will owe quarterly fees to the United States Trustee.

9. Based on the foregoing the U.S. Trustee believes that due cause exists to dismiss this case.

WHEREFORE, the United States Trustee prays for an order dismissing this case and for such other relief as this Court deems just.

Respectfully submitted,

NANCY J. GARGULA
UNITED STATES TRUSTEE

By: /s/Martha M. Dahm
Martha M. Dahm, Mo. Bar #35410
Attorney for the U.S. Trustee
111 S. 10th Street, Suite 6353
St. Louis, MO 63102
(314) 539-2976
(314) 539-2990-Fax
Martha.m.dahm@usdoj.gov

CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the above and foregoing was served by electronic transmission pursuant to the Electronic Case Filing System of this Court on the 6th day of March 2013.

/s/ Martha Dahm

